

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code Cost-Plus-Fixed-Fee	Page 1 Of 12				
2. Amendment/Modification No. P00014		3. Effective Date 2007APR12		4. Requisition/Purchase Req No. SEE SCHEDULE		5. Project No. (If applicable)			
6. Issued By U.S. ARMY TACOM LCMC AMSTA-AQ-AHLA TYRON S. WILLIAMS (586)574-7049 WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL EMAIL: TYRON.S.WILLIAMS@TACOM.ARMY.MIL WEAPON SYSTEM: WPN SYS: MM				Code W56HZV		7. Administered By (If other than Item 6) DCMA NORTHERN CALIFORNIA P.O. BOX 232 700 EAST ROTH ROAD, BLDG 330 FRENCH CAMP CA 95231-0232  SCD A PAS NONE ADP PT HQ0339		Code S0507A	
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)  BAE SYSTEMS LAND & ARMAMENTS INC GROUND SYSTEMS 2890 DE LA CRUZ BLVD SANTA CLARA, CA 95050-2619  TYPE BUSINESS: Large Business Performing in U.S.				<input type="checkbox"/>		9A. Amendment Of Solicitation No.			
				<input type="checkbox"/>		9B. Dated (See Item 11)			
				<input checked="" type="checkbox"/>		10A. Modification Of Contract/Order No. W56HZV-07-C-0096			
				<input type="checkbox"/>		10B. Dated (See Item 13) 2006DEC20			
Code 80212		Facility Code							
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS									
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning _____ copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.									
12. Accounting And Appropriation Data (If required) SEE SECTION G (IF APPLICABLE)									
13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS KIND MOD CODE: 6 It Modifies The Contract/Order No. As Described In Item 14.									
<input type="checkbox"/> A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A. The Changes Set Forth In Item 14 Are Made In									
<input type="checkbox"/> B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).									
<input type="checkbox"/> C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:									
<input checked="" type="checkbox"/> D. Other (Specify type of modification and authority) Exercise Option									
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.									
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)  SEE SECOND PAGE FOR DESCRIPTION									
15A. Name And Title Of Signer (Type or print)					16A. Name And Title Of Contracting Officer (Type or print) JOHN REGENHARDT REGENHAJ@TACOM.ARMY.MIL (586)574-6973				
15B. Contractor/Offeror  (Signature of person authorized to sign)			15C. Date Signed		16B. United States Of America  By _____ /SIGNED/ (Signature of Contracting Officer)			16C. Date Signed  2007APR12	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE					30-105-02 STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243				

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Name of Offeror or Contractor: BAE SYSTEMS LAND & ARMAMENTS INC			

SECTION A - SUPPLEMENTAL INFORMATION

Modification P00014 to W56HZV-07-C-0096

1. The purpose of Modification P00014 to Contract W56HZV-07-C-0096 is to exercise an option for 17,941 hours for work listed on Work Directive(s) M70-812 Rev. 0, M70-813 Rev. 0, and M70-814 Rev. 0.
2. In addition, this Modification P00014 converts a total 2,500,000 STS hours (500,000 STS hours each from the Basic Year and Option Years 1 through 4, totaling of 2,500,000 hours) into material dollars. This conversion of 2,500,000 STS hours reduces the total number of STS hours on contract W56HZV-07-C-0096 from 15,000,000 hours to a new total of 12,500,000 STS hours, and reduces the Basic Year and Option Years 1 through 4 total hours by 500,000 hours each year from 3,000,000 hours to 2,500,000 STS hours. This 2,500,000 hour total reduction of available hours will increase the amount of material cost available for the basic and future option period by \$202,900,000, calculated at 2,500,000 hours, times the total contract average of Conus FSR rates - \$81.16 per hour, taken from the Conus FSR composite rate from Section B, Clause B.4.

Calculation to convert hours to material cost dollars:

Program Yr	Hrs	Rate	Total
Basic	500,000	74.52	\$ 37,260,000
Option #1	500,000	76.35	\$ 38,175,000
Option #2	500,000	81.47	\$ 40,735,000
Option #3	500,000	85.58	\$ 42,790,000
<u>Option #4</u>	<u>500,000</u>	<u>87.88</u>	<u>\$ 43,940,000</u>
Total	2,500,000	81.16	\$202,900,000

Paragraph B.4, B.5, and H.10 will be updated to reflect the following changes. Paragraph H.11 has been added to this contract due to the fact that the paragraph was omitted from the contract's basic award.

The following Precontract Cost Clause which allows recovery of costs incurred in advance of award will be included in this Modification P00014 as well.

--Precontract Costs - The Government recognizes that due to the urgency of this program and in anticipation of the issuance of the contract modification, the contractor has or may have incurred costs since March 24, 2007. Such costs, to a maximum amount of \$66,560.00, to acquire the modification kits, are allowable to the extent that they would have been allowable if incurred after the date of contract award.

3. The hours being acquired on the option exercise will be from the following CLIN:

CLIN	Prior		This Change		Total
0014AD - M70-812 Rev. 0					
Hours		0		1,800	1,800
Estimated Cost	\$	0	\$	105,030	\$ 105,030
Materials/ODC's (w/ G&A)	\$	0	\$	841,916	\$ 841,916
Materials/ODC's FCCM	\$	0	\$	84	\$ 84
Total Cost	\$	0	\$	947,030	\$ 947,030
Labor Fee	\$	0	\$	9,612	\$ 9,612
Materials/ODC's Fee	\$	0	\$	77,035	\$ 77,035
Total Fee	\$	0	\$	86,647	\$ 86,647
Total CPFF	\$	0	\$	1,033,677	\$ 1,033,677
0014AE - M70-814 Rev. 0					
Hours		0		9,114	9,114
Estimated Cost	\$	0	\$	531,802	\$ 531,802
Materials/ODC's (w/ G&A)	\$	0	\$	649,990	\$ 649,900
Materials/ODC's FCCM	\$	0	\$	65	\$ 65
Total Cost	\$	0	\$	1,181,857	\$ 1,181,857
Labor Fee	\$	0	\$	48,669	\$ 48,669
Materials/ODC's Fee	\$	0	\$	59,474	\$ 59,474
Total Fee	\$	0	\$	108,143	\$ 108,143
Total CPFF	\$	0	\$	1,290,000	\$ 1,290,000

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0014AF - M70-813 Rev. 0

Hours		0	7,027	7,027
Estimated Cost	\$	0	\$ 479,804	\$ 479,804
Materials/ODC's (w/ G&A)	\$	0	\$ 562,796	\$ 562,796
Materials/ODC's FCCM	\$	0	\$ 56	\$ 56
Total Cost	\$	0	\$ 1,042,656	\$ 1,042,656
Labor Fee	\$	0	\$ 43,848	\$ 43,848
Materials/ODC's Fee	\$	0	\$ 51,496	\$ 51,496
Total Fee	\$	0	\$ 95,344	\$ 95,344
Total CPFF	\$	0	\$ 1,138,000	\$ 1,138,000

- a. The hours optioned to date are 473,861 leaving 2,026,139 available for future option exercise.
- b. The ODC/Material cost dollar options to date are \$49,344,462.00, leaving \$228,555,538 available for future option exercise.
- c. The option is exercised prior to 19 December 2007.

4. The option hours under Modification P00014 to exercise are at rate of \$63.69 (\$58.35 for estimated cost and \$5.34 for the contractor's fixed fee) for Work Directives M70-812 Rev. 0 and M70-814 Rev. 0. Also, Work Directive M70-813 Rev. 0 will be exercised at a rate of \$74.52 (\$68.28 for estimated cost and \$6.24 for the contractor's fixed fee).

5. This modification impacts the contract amount. This action increases the total contract amount by \$3,461,677 from the prior amount of \$85,697,583 to a new total of \$89,159,260.

	Prior	This Change	Total
Estimated Cost (including ODCs)	\$ 78,520,758	\$ 3,171,543	\$ 81,692,301
Fixed Fee	\$ 7,176,825	\$ 290,134	\$ 7,466,959
Cost Plus Fixed Fee (including ODCs)	\$ 85,697,583	\$ 3,461,677	\$ 89,159,260

6. All other terms and conditions remain unchanged.

\*\*\* END OF NARRATIVE A 0014 \*\*\*

Name of Offeror or Contractor: BAE SYSTEMS LAND & ARMAMENTS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0014AD	<div>SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS</div> <div>SERVICES LINE ITEM</div> <div>NOUN: M2A2 ODS BRADLEY PRON: EH7CR199EH    PRON AMD: 01    ACRN: AJ AMS CD: 137010NC000</div> <div>START OF WORK:    DATE OF SIGNED MODIFICATION COMPLETION DATE: 31 JUL 2007 LEVEL OF EFFORT: 1,800 Hours</div> <div>MODIFICATION:    P00014</div> <div>P00014 Breakdown:</div> <div>Work Directive M70-812 Rev. 0</div> <div>Estimated Labor Cost:    \$    105,030 Materials/ODCs:    \$    841,916 Materials/ODCs FCCM:    \$        84 Total Cost:    \$    947,030 Labor Fee:    \$        9,612 Materials/ODCs:    \$        77,035 Total Fee:    \$    86,647 CPFF:    \$ 1,033,677</div> <div>(End of narrative C001)</div> <div>Inspection and Acceptance</div> <div>INSPECTION: Destination    ACCEPTANCE: Destination</div> <div>Deliveries or Performance</div> <div>DLVR SCH    PERF COMPL</div> <div>REL CD    QUANTITY    DATE</div> <div>001    0    31-JUL-2007</div> <div>\$    1,033,677.00</div>				\$ 1,033,677.00

Name of Offeror or Contractor: BAE SYSTEMS LAND & ARMAMENTS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0014AE	<div>SERVICES LINE ITEM</div> <div>NOUN: 3 BFV FSRS SUPP 4BCT 1ST CAV PRON: W176F92772PRON AMD: 01ACRN: AT AMS CD: P13519700000 CUSTOMER ORDER NO: MIPR7D44840033</div> <div>START OF WORK: DATE OF SIGNED MODIFICATION COMPLETION DATE: 30 SEP 2007 LEVEL OF EFFORT: 9,114 Hours</div> <div>MODIFICATION: P00014</div> <div>P00014 Breakdown:</div> <div>Work Directive M70-814 Rev. 0</div> <div>Estimated Labor Cost: \$ 531,802 Materials/ODCs: \$ 649,990 Materials/ODCs FCCM: \$ 65 Total Cost: \$ 1,181,857 Labor Fee: \$ 48,669 Materials/ODCs: \$ 59,474 Total Fee: \$ 108,143 CPFF: \$ 1,290,000</div> <div>(End of narrative C001)</div> <div>Inspection and Acceptance INSPECTION: DestinationACCEPTANCE: Destination</div> <div>Deliveries or Performance DLVR SCHPERF COMPL REL CDQUANTITYDATE 001030-SEP-2007</div> <div>\$ 1,290,000.00</div>				<div>\$ 1,290,000.00</div> <div>Estimated Cost: \$ 1,181,857 Fixed Fee: \$ 108,143 CPFF: S 1,290,000</div>



Name of Offeror or Contractor: BAE SYSTEMS LAND & ARMAMENTS INC

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0014AG	<div>SERVICES LINE ITEM</div> <div>NOUN: BFV MASTER GUNNER COURSE PRON: W176F95472PRON AMD: 02ACRN: AU AMS CD: 135197 CUSTOMER ORDER NO: MIPR7FDAT29R51</div> <div>Funding SubCLIN in Support of CLIN 0014AF.</div> <div>(End of narrative C001)</div> <div>Inspection and Acceptance INSPECTION: DestinationACCEPTANCE: Destination</div> <div>Deliveries or Performance DLVR SCHPERF COMPL REL CDQUANTITYDATE 001005-APR-2008</div> <div>\$996,000.00</div>				\$996,000.00

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B.1 APPLICABILITY OF FEDERAL EXCISE TAX - Federal Excise Tax (FET) is not applicable to the contract items listed elsewhere in Section B of the contract. FET is not to be included in any prices under the contract.

B.2 CONTRACT DATA PRICE - The cost for data requirements of the contract is included within the cost plus fixed fee amounts for each CLIN.

B.3 BASIC - The Government Basic Award shall be 230,380 hours.

	Estimated Hourly Cost	Hourly Fixed Fee	Total Cost
Bradley Family of Vehicles STS	\$ 96.32	\$ 8.78	\$ 105.10
M113 Family of Vehicles STS	\$ 89.63	\$ 8.17	\$ 97.80
M109/M992 STS	\$ 69.67	\$ 6.36	\$ 76.03
M9ACE STS	\$ 59.25	\$ 5.40	\$ 64.65
CONUS FSR	\$ 68.28	\$ 6.24	\$ 74.52
OCONUS FSR	\$ 58.35	\$ 5.34	\$ 63.69

B.4 OPTION - ADDITIONAL SYSTEM TECHNICAL SUPPORT - In accordance with Paragraph H.10, the Government shall have the option to increase the number of system technical support hours by a maximum of 2,500,000 manhours each year for a maximum of 12,500,000. The allocation of these hours is as follows:

STS Hours optioned to date are 473,861, leaving 2,026,139 available for future base year exercise.

The hourly fixed fee listed below will remain in effect for option hours exercised in the specified time periods. The estimated hourly costs are for planning and budgetary purposes only and will vary from work directive to work directive. The funded amount for each work directive will be determined by the labor mix and Other Direct Costs (ODCs) for that specific effort.

Basic

	FROM	Through	Estimated Hourly Cost	Hourly Fixed Fee	Total Cost
a)	Basic Contract Award	19 Dec 2007			
	and base year option				
	Bradley Family of Vehicles STS		\$ 96.32	\$ 8.78	\$ 105.10
	M113 Family of Vehicles STS		\$ 89.63	\$ 8.17	\$ 97.80
	M109/M992 STS		\$ 69.67	\$ 6.36	\$ 76.03
	M9ACE STS		\$ 59.25	\$ 5.40	\$ 64.65
	CONUS FSR		\$ 68.28	\$ 6.24	\$ 74.52
	OCONUS FSR		\$ 58.35	\$ 5.34	\$ 63.69

Option #1

	FROM	Through	Estimated Hourly Cost	Hourly Fixed Fee	Total Cost
b)	20 Dec 2007	19 Dec 2008			
	Bradley Family of Vehicles STS		\$ 98.98	\$ 9.02	\$ 108.00
	M113 Family of Vehicles STS		\$ 92.21	\$ 8.40	\$ 100.61
	M109/M992 STS		\$ 73.36	\$ 6.69	\$ 80.05
	M9ACE STS		\$ 62.34	\$ 5.68	\$ 68.02
	CONUS FSR		\$ 69.96	\$ 6.39	\$ 76.35
	OCONUS FSR		\$ 59.91	\$ 5.48	\$ 65.39

Option #2

	FROM	Through	Estimated Hourly Cost	Hourly Fixed Fee	Total Cost
c)	20 Dec 2008	19 Dec 2009			
	Bradley Family of Vehicles STS		\$ 107.19	\$ 9.76	\$ 116.95
	M113 Family of Vehicles STS		\$ 100.54	\$ 9.15	\$ 109.69
	M109/M992 STS		\$ 80.86	\$ 7.37	\$ 88.23
	M9ACE STS		\$ 68.68	\$ 6.26	\$ 74.94
	CONUS FSR		\$ 74.65	\$ 6.82	\$ 81.47
	OCONUS FSR		\$ 63.79	\$ 5.83	\$ 69.62



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Option #3

	FROM 20 Dec 2009	Through 19 Dec 2010	Estimated Hourly Cost	Hourly Fixed Fee	Total Cost
d)					
	Bradley Family of Vehicles STS		\$ 109.88	\$10.01	\$ 119.89
	M113 Family of Vehicles STS		\$ 103.19	\$ 9.39	\$ 112.58
	M109/M992 STS		\$ 84.34	\$ 7.69	\$ 92.03
	M9ACE STS		\$ 71.72	\$ 6.54	\$ 78.26
	CONUS FSR		\$ 78.42	\$ 7.16	\$ 85.58
	OCONUS FSR		\$ 67.96	\$ 6.21	\$ 74.17

Option #4

	FROM 20 Dec 2010	Through 19 Dec 2011	Estimated Hourly Cost	Hourly Fixed Fee	Total Cost
e)					
	Bradley Family of Vehicles STS		\$ 113.22	\$10.31	\$ 123.53
	M113 Family of Vehicles STS		\$ 106.56	\$ 9.70	\$ 116.26
	M109/M992 STS		\$ 86.75	\$ 7.91	\$ 94.66
	M9ACE STS		\$ 74.06	\$ 6.75	\$ 80.81
	CONUS FSR		\$ 80.52	\$ 7.36	\$ 87.88
	OCONUS FSR		\$ 69.77	\$ 6.38	\$ 76.15

Solely for the purpose of determining the Estimated hourly rates most likely usage of man hours follow. The Government reserves the right to divert from estimates.

a)	Basic base year option	2,500,000 man-hours
b)	Option Year 1	2,500,000 man-hours
c)	Option Year 2	2,500,000 man-hours
d)	Option Year 3	2,500,000 man-hours
e)	Option Year 4	2,500,000 man-hours

B.5 The Contractor may propose material and other direct costs plus additives to this contract based on support within the work directives. The estimated costs at the time of the work directive award will have a fixed fee amount attached as 9.14% of costs. STS material and other direct cost dollars optioned to date are \$49,344,462, leaving \$228,555,538 available for future options. exercises.

\*\*\* END OF NARRATIVE B 0015 \*\*\*

SECTION G - CONTRACT ADMINISTRATION DATA

LINE	PRON/ AMS CD/ ITEM MIPR	ACRN	OBLG STAT/ JOB ORD NO			INCREASE/DECREASE AMOUNT		CUMULATIVE AMOUNT
0014AD	EH7CR199EH 137010NC000 B17LIX137NMC	AJ	1 7LIRNG	\$	0.00	\$	1,033,677.00	\$ 1,033,677.00
0014AE	W176F92772 P13519700000 MIPR7D44840033	AT	1	\$	0.00	\$	1,290,000.00	\$ 1,290,000.00
0014AF	W176F95272 135197 MIPR7EDAT29R50	AU	1	\$	0.00	\$	142,000.00	\$ 142,000.00
0014AG	W176F95472 135197 MIPR7FDAT29R51	AU	1	\$	0.00	\$	996,000.00	\$ 996,000.00
NET CHANGE					\$		3,461,677.00	

SERVICE NAME	NET CHANGE BY ACRN	ACCOUNTING CLASSIFICATION				ACCOUNTING STATION	INCREASE/DECREASE AMOUNT
Army	AJ	21	72020000076D8030P1370102577	S20113		W56HZV	\$ 1,033,677.00
Army	AT	21	72020000078A2084P1351972540	S09076		S09076	\$ 1,290,000.00
Army	AU	21	720200000757101313519702512	S09038		W2L5AA	\$ 1,138,000.00
NET CHANGE							\$ 3,461,677.00

		PRIOR AMOUNT OF AWARD		INCREASE/DECREASE AMOUNT		CUMULATIVE OBLIG AMT
NET CHANGE FOR AWARD:	\$	85,697,583.00	\$	3,461,677.00	\$	89,159,260.00

ACRN	EDI ACCOUNTING CLASSIFICATION					
AJ	21	070720200000	S20113	76D8030137010NC0002577	7LIRNGS20113	W56HZV
AT	21	070720200000	S09076	78A2084P13519700002540MIPR7D4484003344A483S09076		
AU	21	070720200000	S09038	7571013135197000002512MIPR7EDAT29R50H8JG5GS09038		
AU	21	070820200000	S09038	7571013135197000002512MIPR7FDAT29R51H8JG5GS09038		

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SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 CONTRACT SECURITY CLASSIFICATION REQUIREMENT

The Security Classification specification requirements (DD Form 254) for the Contract is located in Attachment 1.

H.2 NOTIFICATION OF INCONSISTENCIES

Should the Contractor discover or suspect inconsistencies among contract provisions, requirements, specifications, and/or documents, he shall immediately notify the Procuring Contracting Officer in writing.

H.3 SMALL AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN

Attachment 2 to this Contract lists the small and small disadvantaged business subcontracting plan(s) that are applicable to this contract. The plans are incorporated by reference. The Contractor shall retain copies of their vendors and subcontractors small and small disadvantaged business subcontracting plan(s). These copies of the plans shall be made available for review by appropriate government officials.

H.4 DATA RESPONSIBILITY

Recognizing that a visual review, by the Government, of data delivered or released under this contract may be insufficient to prove out their adequacy for intended use, the Contractor shall certify prior to contract completion, that to the best of his knowledge and belief all such data are complete and conform to the data requirements of this contract. Failure of relate data, made under the terms of this contract, to meet the requirements thereof shall be cause for rejection as unacceptable. Prior to final acceptance of the drawings and related data by the Government, the Contractor shall submit evidence that drawings and related data rejected as unacceptable have been corrected. Notwithstanding such final acceptance, the Government may require the Contractor to remedy by correction or replacement, as directed by the Contracting Officer, data deficiencies (i) at any item during the performance of this contract, and (ii) for a period of three (3) years thereafter, in accordance with Special Provision H-17 of this contract entitled WARRANTY OF DATA.

H.5 PRIORITY RATING

A priority rating of DO-A4 os assigned to this contract and it is certified for National Defense use under DMS Regulation 1. The Contractor shall take all necessary actions to extend this rating to its suppliers or subcontractors where required.

H.6 DEPARTMENT OF DEFENSE ACTIVITY ADDRESS CODE

The Department of Defense Activity Address Code (DODAC) for use under this contract is TBD.

H.7 USE OF GOVERNMENT PROPERTY AND FACILITIES

The Contractor based this contract price on rent-free use of property and facilities that were initially made available under other contracts (see below). The Government property and facilities are in the possession of the Contractor and subcontractors accountable under the below listed Government contracts. Rent-free, non-interference use of Government property accountable under those contracts is approved.

CONTRACT

- |                     |                            |
|---------------------|----------------------------|
| a) DAAE07-95-C-X030 | BFV STS                    |
| b) DAAE07-96-C-x036 | BFV Production Contract    |
| c) DAAE07-01-C-M011 | HBCT STS                   |
| d) W56HZV-05-G-0005 | Bradley Family of Vehicles |

H.8 GOVERNMENT PROPERTY

The Government shall furnish to the Contractor the items listed in Attachment 3 in support of the Contract.

H.9 GOVERNMENT RIGHT TO FURNISH PROPERTY, MATERIAL, AND/OR EQUIPMENT

H.9.1 In addition to the Government furnished property, material and/or equiment describes in Attachment 3 of this Contract, the Government reserves the right to furnish to the Contractor other items of Government property, material and/or equipment or to increase the quantities in Attachment 3.

H.9.2 The Contractor shall promptly take action as the Contracting Officer may direct with respect to such additional property, material and/or equipment. In the event the Government exercises its right under this paragraph, the parties will agree to equitably adjust the Contract price and/or delivery schedule or performance dates in accordance with the procedures provided for in the "Changes"

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clause of this Contract. The Contractor shall submit either a proposal for equitable adjustment or rationale for no equitable adjustment within thirty (30) days following the Contracting Officer's notice of change. Failure to agree to an equitable adjustment shall be a dispute, concerning a question of fact with the meaning of the "disputes" clause.

H.9.3 All property furnished pursuant to this paragraph shall be subject to the provisions of the "Government Property" clause of this Contract.

H.10 OPTION ADDITIONAL HOURS

The Government shall have the option to increase the number of Service Technical Support man-hours one or more increments in support of this Contract by a maximum of 12,500,000 man-hours. The right to option hours shall expire 19 December 2011. There is no minimum number of man-hours that may be exercised. See paragraph B.4 for the available hours to exercise.

H.11 OPTION MATERIAL/OTHER DIRECT COST (ODC) DOLLARS

The Government shall have the option to increase the number of Service Technical Support material/ODC dollars one or more increments in support of this Contract by a maximum of \$277,900,000.00. The right to option hours shall expire 19 December 2011. There is no minimum number of material/ODC dollars that may be exercised. See paragraph B.5 for the available material/ODC dollars to exercise.

\*\*\* END OF NARRATIVE H 0001 \*\*\*